

REMARKS

Claims 1-20 are pending and are rejected under 35 U.S.C. §103(a) as being unpatentable over *Tushie* et al. (U.S. Pat. No. 6,014,748) in view of *Harms* et al. (U.S. Pat. No. 6,070,147). Claims 1 and 11 are amended.

One aspect of the present invention is the ability to process and personalize smart card features in a batch of smart cards. Examples of the term “smart card features,” as recited in claims 1 and 11 are provided in the specification on pages 18 to 27. Applicant brought these examples to the Examiner’s attention in the amendment filed June 16, 2006 (see pages 8 and 9). Applicant provided a description of this term and explicitly states, for example, that the term is not limited to cardholder data or to data security and integrity (as taught in the *Tushie* reference).

Although the relevant case law states that claims must be interpreted in view of the specification without importing limitations from the specification into the claims, the case law states that this importation must not be done so unnecessarily. In the prosecution history of the pending application, Applicant has explicitly brought to the Examiner’s attention (and ultimately to the public’s attention via the prosecution history), the description of “smart card features” to distinguish over *Tushie*. The term “smart card features” is not a standard industry term or a term of common trade usage in the field of smart cards or chip cards. Rather, it is a self-defined term introduced by Applicant to describe the claimed invention. Consequently, Applicant is bound by any definitions, examples, descriptions, and the like provided in the specification and used by Applicant to distinguish over the cited references, which Applicant did in its response to the first Office action in this case.

However, in the alternative and for the purpose of advancing prosecution of this case, amendments have been made to the claims to further clarify the meaning of “smart card features.” These amendments reflect high-level smart card management instructions dictated by the smart card issuer. These instructions, recited as “features” in the claims, tell a smart card how to behave or operate with respect to authorization, cardholder verification, fraud detection, and the like in certain situations. These features allow a smart card to operate as if the issuer were exerting direct control during the transaction.

the Office action cites sections in *Harms* (e.g., col. 5, lines 36-40) that recite, for example, “the retail clerk (or consumer) can manually key-in the **desired information from the card** by following prompts displayed by the terminal,” and the “desired information” being entered as information from the card (emphasis added by Examiner). This information is not smart card feature data as recited in the amended claims.

In response to the §1.105 Requirement for Information, Applicant is not aware of any specific “better prior art.” All relevant references known to the inventors, assignees, and their representatives, including Jon Scott and me, have been cited to the Patent Office via Information Disclosure Statements. A prior art search has not been made with respect to the claimed invention. Mr. Scott’s statement during the interview on Nov. 11, 2006 was made in the context of discussing a reference which has since been removed and was meant as a general statement rather than referring to any specific references known to him.

Reconsideration of this application and issuance of a Notice of Allowance at an early date are respectfully requested. If the Examiner believes a telephone conference would in any way expedite prosecution, please do not hesitate to telephone the undersigned at (612) 252-3335.

Respectfully submitted,

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